

The Honorable Martin Glenn:
Re: Case No. 22-10964 (MG)

Greetings Your Honor. My name is Patrick Bryant and I have about \$4,000.00 in Bitcoin and Ether trapped on Celsius Network's website. There are other depositors in far worse shape than me, and this letter is as much for their benefit as it is for my own. I am an unaccredited investor based in the United States, likely an unsecured creditor as well. Thank you for taking the time to read this note, along with the others sent by similarly situated depositors.

Your Honor, I want to start by disputing the claim made by Celsius Network that the pausing of customer withdrawals was the result of a "market downturn." While the cryptocurrency market did face a downturn, that downturn is not the reason why Celsius Network needed to file for Chapter 11 Bankruptcy protection. Celsius Network claimed to be a business that offered over-collateralized loans to customers funded by depositors in exchange for yield on their deposits, and those taking loans posting over-collateralized amounts of crypto as collateral, charging interest, and using that interest to pay yield to depositors that did not take out loans. That is the business Celsius Network continuously claimed in multiple public forums to be running. However, that was not an accurate description of what Celsius Network was actually doing. Instead, Celsius Network, with Alex Mashinsky at the helm, engaged in extremely high risk lending, staking, and investment strategies in cryptocurrency, which is well known to be a highly volatile market and extremely risky asset class. It was those high risk strategies that forced Celsius Network to both pause withdrawals from their platform and eventually seek bankruptcy protection.

Make no mistake, this is not a case about a market downturn, this is a case about sheer human greed, especially with regard to Alex Mashinsky himself. There were a multitude of companies running the same business model that Celsius Network claimed to be operating that faced the exact same market downturn, but did not pause withdrawals or seek bankruptcy protection. These companies include both centralized finance and decentralized finance

based organizations. For example, Nexo, Aave, Ledn, Unchained Capital, Compound, Maker, and Haru (amongst many others) all faced the same market downturn as Celsius Network, yet they continued to perform and remain in business today. The difference between those companies and Celsius Network was not a market downturn, but rather appropriate investment and risk mitigation strategies to protect client funds. As Your Honor will learn, Celsius Network did not engage in appropriate risk mitigation strategies, rather they pursued high risk investments in a high risk market without proper risk mitigation. Essentially, Celsius Network, under the leadership of Alex Mashinsky, gambled away the depositors money that he now claims he cannot pay back, all the while repeatedly assuring all depositors that their funds were safe and there was minimal to no risk.

As a result of the deceptive practices Celsius Network and Mr. Mashinsky engaged in I have three requests for the Court:

1. Please remove Alex Mashinsky and the board of directors of Celsius Network immediately. They do not have the interests of depositors in mind, they want to avoid potential criminal liability for fraud. Mr. Mashinsky has lost the trust of the entire Celsius community, as have the board of directors. They are the exact people who created this mess, they are the last people that should be trying to get all of us depositors our crypto funds back.
2. Please throw out the Terms of Use in their entirety because they are unconscionable, and because they are void due to the voluminous extrinsic evidence of the lies told by Mr. Mashinsky during AMA sessions, Twitter posts, and the information in the Celsius Network website itself. It is unconscionable that Celsius Network publicly stated multiple lies, untruths, and engaged in other fraudulent or deceptive practices and now wants to fall back on their Terms of Use. You cannot go around saying that all funds are safe, that there is virtually no risk due to a business model you claim to be running, but are not actually running. You don't get to have it both ways. Due to the extreme amount of fraudulent and/or deceptive statements Celsius Network and Mr. Mashinsky made publicly depositors could not have

known exactly what they were agreeing to. Celsius Network's Terms of Use are void as they were not made in good faith when weighed against what Celsius Network repeatedly said publicly, which has proven to be mostly, if not entirely false.

3. That any and all payments to unsecured creditors come in kind in the form of the cryptocurrency deposited (Bitcoin and Ether in my case) and not come in the form of fiat money.

My first request is for Alex Mashinsky to be relieved of his duties as CEO of Celsius Network. Mr. Mashinsky has lost the trust of the entire community that previously supported Celsius Network. Based on the litany of lies he has told regarding the safety of user funds, the high risk nature of the trading, staking, and lending practices that Mr. Mashinsky engaged in have made him completely untrustworthy. He has zero credibility amongst the depositors who have funds locked on the Celsius Network platform, like myself. I have absolutely no confidence that he will do anything in the interests of those depositors. Mr. Mashinsky cares about one person only. Himself. His immediate removal as CEO of Celsius, and the removal of all of the current members of Celsius' board of directors is essential for there to be any future of Celsius as a business entity, and to protect the funds of thousands of unsecured retail investors that have money trapped on Celsius Network. I sincerely hope that in conjunction with the appointed Trustee, and Committee of Creditors, that Your Honor will take full advantage of the look back period and beyond to uncover all financial transactions taken by Mr. Mashinsky as well as all members of the Celsius Board of Directors or other insiders that took place in the days, weeks, months, and years before Celsius paused withdrawals and filed for Chapter 11 Bankruptcy protection. Immediate removal is the proper procedure in a case like this where Celsius Network and Mr. Mashinsky do not have the interests of the very depositors that made Celsius Network function in mind at all. A more reputable individual, such as Simon Dixon with his "Depositors First" plan would be a much more palatable outcome. Mr. Dixon does have the trust of the vast majority of the Celsius Network community of depositors. We need someone we can trust and that person or persons are simply not Alex

Mashinsky or the current board of directors at Celsius Network. Their immediate removal is requested.

My second request is that the Terms of Use compiled and cited by Celsius Network be thrown out in their entirety due to the overwhelming extrinsic evidence contrary to these same Terms of Use in the form of public statements made by Mr. Mashinsky and Celsius Network. I have read all previous letters filed with the Court by people just like me. They have already provided ample documentation of public statements contrary to the Terms of Use Celsius Network now want to enforce. These Terms are unconscionable and void on their face due to the public statements made by Celsius Network. This is a classic bait and switch, Your Honor. Please do not let these unconscionable Terms of Use dictate how funds are distributed to retail unsecured creditors. Please throw them out in their entirety.

My third request is that unsecured retail investors like myself be paid back in kind in the same coins deposited on Celsius Network by the thousands of depositors who can not access their funds. We invest in cryptocurrency for a reason, Your Honor, and that is because we believe in the future of blockchain technology, especially when it comes to Bitcoin and Ethereum. To not get paid back in the coins deposited would just be a further blow to those of us blinded by the public statements made by Alex Mashinsky and Celsius Network. We thought our funds were safe because that is what we were repeatedly told by Mr. Mashinsky and Celsius Network even just one day before they paused withdrawals.

Thank you for taking the time to read this note, and all of the other letters I have read that have been included in the Court filings. I hope Your Honor, the Committee of Creditors, and the Bankruptcy Trustee will find them persuasive and ensure the best possible outcome for those of us being held hostage by Celsius Network while we watch the value of those very coins we deposited start to increase.

Sincerely,
Patrick Bryant